

**CITY OF MILWAUKIE
CITY COUNCIL WORK SESSION
MAY 6, 1997**

Mayor Lomnicki called the work session to order at 5:00 p.m. at the Milwaukie Center.

Councilors present: Tomei, Schreiber, Kappa, and Trotter.

Staff present: City Manager Bartlett; Assistant to the City Manager Richards; City Attorney Tim Ramis; Finance Director Anderson; Interim Public Works Director Swanson; and City Engineer Brink.

Information Sharing

1. **Councilmember Trotter** asked Bartlett to review the process for dealing with correspondence addressed to the Mayor and Council. **Bartlett** said he or a designated staff member prepares a response for the appropriate signer, in many cases the Mayor, and copies of the original correspondence and the City's response are provided to all Council members.
2. **Councilmember Trotter** asked why staff was late in preparing the *Notice of Decision* on CU-96-01 (ODOT). **Bartlett** said the responsible staff person was new to the City, and Collins was looking into the clarifying the internal process.
3. **Councilmember Trotter** discussed the status of the Tree Ordinance. If staff is waiting on Council comments, he had none. If others did have comments he urged them to send them to staff. **Bartlett** said the expectation was for Council to submit comments for staff response. **Councilmember Schreiber** said her concern was the cost factor. The members discussed the timeline for submitting comments, and **Bartlett** outlined demands on staff to meet the needs of the Regional Center Master Plan, Riverfront Plan, and seasonal increase of building permits. He did not feel the Tree Ordinance could be considered before January 1998. The group discussed looking into the cost of hiring a consultant to do some of the work since Community Development would lose two employees at the end of the fiscal year. **Councilmember Tomei** recommended the Tree Committee begin meeting again to address some of the issues before taking it to staff. **Bartlett** said City Council could direct the Planning Commission to re-activate the Committee, but this would also require staff time for agenda preparation and taking the minutes. **Mayor Lomnicki** and **Councilmember Trotter** discussed looking at re-activating the Tree Committee and determining what resources would be required to accomplish the work prior to January. **Councilmember Tomei** suggested a member of the Committee could be responsible for taking the minutes, and there was some discussion about the legality of doing that. **Mayor Lomnicki**

felt staff needed to be involved at some level. Staff has a substantial load with projects that need to be accomplished. He still had concerns about property owners' rights and expenses that might be incurred under the Urban Forestry Program. The group agreed to have its comments to staff by the end of May and to look at alternatives for accelerating the Tree Ordinance program.

4. The group discussed the need for more work session time and agreed to meet earlier and allow thirty minutes for information sharing.
5. **Councilmember Kappa** referred to the correspondence from George Rodriguez regarding truck traffic. He asked why the City would have to go to ODOT about "no trucks" signage. **Bartlett** said the issue is taking trucks from a state highway network onto a collector. There are no designated truck routes, and, on streets such as Johnson Creek Blvd., local truck traffic still has to be allowed. **Councilmember Kappa** said his concern was that trucks exiting from McLoughlin Blvd. use Lake Rd. which is not built to accommodate truck traffic. He thought some drivers were using Lake Rd. because it was a shorter route, and there is a very sharp right-hand turn in downtown Milwaukie. **Bartlett** said there are no restrictions on weight or number of axles. Staff is trying to designate a truck route with ODOT, and, until that is done, there can be no citations. Many of the trucks using streets such as Monroe are going to Milwaukie Lumber. **Councilmember Kappa** was mainly concerned that large trucks can raise a lot of dust and trailers may sway. This does not go well with pedestrian and bike uses. **Mayor Lomnicki** asked how this was addressed in the Transportation Systems Plan (TSP). **Bartlett** responded the traffic and transportation-related projects the City is working on, including the TSP, will be discussed during the May 20, 1997, work session. **Mayor Lomnicki** said the TSP is supposed to be the over-riding document, and he was concerned the Historic Milwaukie Neighborhood District Association's request would move trucks from Monroe to adjacent streets. He felt the City should proceed carefully. **Councilmember Trotter** understood one of the goals of the TSP was to designate truck routes. **Councilmember Kappa** pointed out Harrison Street was a designated truck route.
6. **Councilmember Schreiber** discussed a letter from the Oregon PTA regarding an upcoming meeting at Milwaukie High School with Governor Kitzhaber. She felt the City Council should recognize the group's visit to Milwaukie.

7. **Councilmember Tomei** asked if there would be a discussion of doubling traffic fines in school zones. **Bartlett** said there is a bill before the Senate Transportation Committee, and Senator Ken Baker is its Vice-Chair. He suggested the City Council contact Senator Baker indicating Milwaukie's interest in this as an option.

Utility Rate Report

Swanson said the City of Milwaukie contracted with the Financial Consulting Solutions Group, Inc., (FCSG) to review and update its 1993 study of utility rates and Systems Development Charges (SDC). FCSG recommended increases in the water SDC and residential/commercial sewer rates. For housekeeping purposes, FCSG also recommended reducing the base rate for water from \$5.96 to \$5.95. The Citizens Utility Advisory Board (CUAB) reviewed the report and recommended it to the City Council for action. **Swanson** discussed the decommissioning of the Brookside lift station and the resulting higher treatment rates charged by the City of Portland for that area. The CUAB considered this difference in charges between Clackamas Service District #1 and the City of Portland and recommended a uniform rate throughout the City's system based on the logic that all parties benefit. He commented on possible connection fees charged by the City of Portland, but the issue has not been resolved.

Bartlett said he has read correspondence that might indicate the City of Portland is trying to leverage a situation that would provide a long-term cash flow at a stable rate. The City should look at the situation as it would at any wholesale purchase.

Swanson said he would keep the City Council informed as he worked on that situation.

Councilmember Tomei asked why Milwaukie had to contract for treatment services with Portland when it has the Kellogg Treatment Plan.

Swanson explained the Brookside lift station was in need of significant upgrading. **Bartlett** added the sewage from that area goes by gravity to the Lents interceptor. There has been a history in the Brookside area of sewage going into people's basements as a result of relay system failure.

Swanson went on to say there were also capacity problems at Kellogg and this is a way to off-load some of the flow to another system. He discussed problems encountered with the Abe's Main Street Cleaners cleanup.

Mayor Lomnicki discussed the rationale for decommissioning the Brookside lift station and the philosophy of seeking a uniform rate throughout the City.

Bartlett said the cost is small when considered from an overall system perspective.

Swanson discussed the recommendation to increase the water SDC from \$504 to \$1095. The City of Milwaukie would still be competitive with other SDCs in the area.

Mayor Lomnicki asked if the SDC met state criteria and why the current charge was so far off. **Bartlett** explained that since the City did not have a Capital Improvement Plan (CIP), it could not calculate recovery rates.

Swanson discussed the volatility of utility rates and said Ed Cebron of FCSG would be at the May 20 meeting to discuss the methodology used to calculate the recommended charges. **Councilmember Kappa** commented he estimated, as a rate payer, he would see an increase of \$48 over a five-year period.

Councilmember Tomei requested further discussion on the sewer portion of the report. **Bartlett** said it refers to our existing piping system. State law requires an adopted facilities plan outlining projects in order to follow through on a rate recovery plan.

Swanson recommended the City of Milwaukie contract with FCSG for an annual utility rate review. The City Attorney is reviewing the proposed resolutions Council will consider on the May 20.

Anderson discussed the practical, accounting reasons for changing the base water rate from \$5.96 to \$5.95. The annual financial loss from this decrease would be less than \$400.

Councilmember Kappa noted the CUAB discussed reviewing the Public Works Department annual budget while examining rates. **Swanson** explained the divisions' budgets are an integral part of the rate review.

Councilmember Kappa said he would like to be able to include streets. **Bartlett** said there are discussions about state-wide street utilities.

Mayor Lomnicki discussed the proposed vehicle registration increase and additional gas tax revenues being discussed in Salem. The City would get money for maintenance and preservation, and other funds would go to services such as the Milwaukie Center van to help meet the transportation needs of the elderly and disabled.

Councilmember Schreiber said the City would also do well if funds came back for regional planning needs.

Bartlett discussed one resident outside the Milwaukie City limits who is charged 50% more for water. The group discussed amending the ordinance stipulating the additional charge based on proposed 190 agreements. As Milwaukie annexes into Oak Lodge, those residents will come into the City's retail purview. Based on current fire service agreements, the City probably has a good opening to Willamette View Manor. Milwaukie is enjoying good public relations through its community policing efforts.

Ballot Measure 50 and City Budget

Bartlett distributed Budget Committee minutes from March. He discussed the passage of the City's November 1996 tax base measure and the process for filing a validation petition with the circuit court. Council may suspend its rules during the regular session and move to direct staff and the attorney to begin filing the appropriate actions on City's tax base.

Mayor Lomnicki said this would be consistent with previous actions.

Bartlett added attorneys from other jurisdictions such as the City of Beaverton and Yamhill County have filed validation petitions with their respective circuit courts. If Measure 50 passes, it would be a moot point.

SB 122 -- Urban Services

Councilmember Kappa commented on the recent Elected Officials Workshop. He had a question about the proposed boundaries and wanted to see a map showing Milwaukie's sphere of influence. He was concerned the Clackamas Town Center might be removed from the City's Urban Growth Boundary.

Councilmember Schreiber said Commissioner Lindquist was following the concept of the City of Clackamas. The other issue that needs to be addressed is the job-to-housing match, and, by incorporating the Town Center, Milwaukie can improve its mix.

Bartlett discussed the Three Cities Agreement adopted in the 1980's by Milwaukie, Happy Valley, and Gladstone. Milwaukie and Happy Valley followed through by establishing their Urban Growth Boundaries and perfected their portions of the agreement. He argues that Gladstone, by only having its mayor's signature, cannot bind future Councils. He addressed the issue of what constitutes an economically viable city. Gladstone prefers an association with Happy Valley since it has a lower tax base, and Milwaukie had agreed with Oak Lodge Fire and Water not to split the district.

The group discussed Milwaukie's significantly improved regional image. **Bartlett** said the City is very close to a wholesale water agreement with Clackamas Water, and one of the Milwaukie City Council member would sit as a board member. There still needs to be some work done in the areas of sewer and surface water.

Councilmember Tomei asked Bartlett to address the sewer authority and the County's future role in the sewer business. **Bartlett** discussed the KOLLT Study and a current senate bill that would allow an authority to take over a county service district. He was a proponent of the County Service District acting as an interim taxing authority with a board composed of County Commissioners. There is also language about cities annexing into a service district and how transition would be accomplished. He discussed West Linn's Tanner Basin model and talks between Tigard and Washington County.

Councilmember Schreiber discussed privatizing the service district. **Bartlett** said the public entity can maintain ownership and contract for operations. Benefits of privatization include standardized systems to help prevent service interruptions and cost savings of 20% - 30%. Commissioner Kennemer seems to want to reduce the number of service district employees by contracting.

Councilmember Schreiber guessed Oak Lodge Sanitary might have been approached by a private party.

Bartlett discussed points on urban services:

- City planning Commissions have more experience in making urban decisions; and
- The County's performance on road maintenance has been so poor, he was not inclined to recommend the City turn it over. Other concepts include a road authority or joint contracting for road construction and maintenance.

Councilmember Trotter said Roger Brown alerted the members of the North Clackamas Parks and Recreation District (NCPRD) Board that Clackamas County Parks wanted to take over the District upon Brown's upcoming retirement. The group discussed the feasibility of that happening. **Bartlett** added that Happy Valley was interested in joining the Parks District.

Mayor Lomnicki felt this was another instance of different types of expertise being needed by the urban and rural areas of the region.

Councilmember Trotter said Mitch Wall and the rest of the NCPRD Board are very pro-district. He felt it was posturing in order to bring up old issues with the hope of getting a different verdict.

Bartlett suggested a meeting with Happy Valley and the Clackamas County Board of Commissioners to talk about the issues. The Councilors agreed it would be important to talk to Kennemer.

Councilmember Kappa said he wanted to make sure the City of Milwaukie had major input to the regional planning consortium regarding its areas of influence. Planning should be done based on the intent to annex into the City limits.

Councilmember Schreiber said there was a suggestions that representation on the planning consortium be based on population. This would mean a large membership from the unincorporated area.

Bartlett said we are beginning to see pressure from the special districts, and, if a report were prepared, it would probably recommend a 190 entity to plan for the entire North Clackamas County region. All the cities would have to do at this time is to deliver a model 190 agreement to DLCD which will be treated as a draft. The City is not yet ready to take a very strong position.

Councilmember Trotter said it sound like the City's strategy will go unchanged and let things run their course.

Councilmember Schreiber felt Milwaukie had a very strong position, and both Lomnicki and Bartlett are respected in the region.

Councilmember Kappa said he wanted the Council informed of any changes in attitude by the other players.

Bartlett discussed future annexations of the Cascade Greens and Stanley/Linwood areas. The City is also working to build relationships with the Town Center and Burlington Coat Factory Outlet.

Mayor Lomnicki adjourned the work session at 6:45 p.m.

Pat DuVal, City Recorder